

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

US SPRINT FONLINE 800 SERVICE) CASE NO. 89-002

O R D E R

INTRODUCTION

On November 28, 1988, US Sprint Communications Company ("US Sprint") filed a tariff to establish Fonline 800 Service. Fonline 800 Service is a virtual banded, inbound toll service through which calls are originated using normal shared network facilities and terminated over the subscriber's local exchange service access line. Fonline 800 Service rates are based on call duration, rate period, and total amount of monthly usage in each usage band for each rate period.

On December 13, 1988, South Central Bell Telephone Company ("South Central Bell") filed a motion to intervene; to consolidate the tariff filing with Administrative Case No. 323, An Inquiry into IntraLATA¹ Toll Competition, An Appropriate Compensation Scheme for Completion of IntraLATA Calls by Interexchange Carriers, and WATS² Jurisdictionality; and for nondiscriminatory treatment of US Sprint's services. South Central Bell based its motion on the premise that Fonline 800 Service can generate

¹ Local Access and Transport Area.

² Wide Area Telecommunications Service.

unauthorized intraLATA traffic. Accordingly, South Central Bell contends that Fonline 800 Service should be subject to: (1) any compensation arrangement that may be ordered in Administrative Case No. 323; and (2) usage reporting requirements ordered in the cases of similar tariff filings.

DISCUSSION

In terms of service configuration, Fonline 800 Service is generically similar to other service offerings that have been approved by the Commission. These include service offerings provided by AT&T Communications of the South Central States, Inc. ("AT&T"), and MCI Telecommunications Corporation ("MCI"). Examples are AT&T Megacom 800 Service,³ AT&T Readyline 800 Service,⁴ and MCI 800 Service.⁵ In each case, the service offering can generate unauthorized intraLATA traffic. Also, other

³ AT&T Megacom 800 Service was approved in Case No. 9874, AT&T Tariff Filing Proposing Megacom/Megacom 800 Service.

⁴ AT&T Readyline 800 Service was approved in Case No. 10106, AT&T Tariff Filing Proposing AT&T Readyline 800 Service.

⁵ MCI 800 Service was approved in Case No. 10049, MCI's Tariff Filing to Introduce Metered Use Option B.

generically related service offerings have been approved that can generate unauthorized intraLATA traffic.⁶

The Commission is of the opinion that South Central Bell's motion to intervene should be granted in order to address the remaining motions.

South Central Bell does not specifically move the Commission to suspend and investigate the Fonline 800 Service tariff filing. Moreover, in the opinion of the Commission, an investigation would not serve any useful purpose. Similar tariff filings have been suspended, investigated, and approved subject to the conditions that South Central Bell suggests should apply to the Fonline 800 Service tariff. The Commission agrees that the terms and conditions that apply to other service offerings that can generate unauthorized intraLATA traffic should also apply to Fonline 800 Service; therefore, the motion for nondiscriminatory treatment of US Sprint's services should be granted.

Because the Commission is mandating that US Sprint comply with the same terms and conditions for the Fonline 800 service as

⁶ These include AT&T's software Defined Network Service, approved in Case No. 9518, AT&T Communications' Tariff Proposal for Software Defined Network Service, AT&T Megacom Service, approved in Case No. 9874, MCI's Prism I and Prism II Service, approved in Case No. 9828, MCI's Tariff Filing to Establish Prism Plus, Prism I, and Prism II Services, MCI Prism III Service, which became effective pursuant to 807 KAR 5:011, Section 9(1), US sprint UltraWATS and Advanced WATS Services, approved in Case No. 9902, US Sprint's Tariff Filing Proposing to Rename its WATS Products, Change Billing Calculation Methods for WATS, Introduce UltraWATS, Travelcard, Direct 800 and Ultra 800, and US Sprint Banded WATS Service, which became effective pursuant to 807 KAR 5:011, Section 9(1).

other similar offerings, it is unnecessary to consolidate this matter into Administrative Case No. 323. Thus, South Central Bell's motion to consolidate should be denied.

FINDINGS AND ORDERS

The Commission, having considered the tariff filing and motions of South Central Bell and being sufficiently advised, is of the opinion and finds that:

1. US Sprint's Fonline 800 Service tariff filing should be made effective pursuant to the provisions of 807 KAR 5:011, Section 9(1), subject to any compensation arrangement that may be ordered in Administrative Case No. 323.

2. South Central Bell's motion to intervene should be granted.

3. South Central Bell's motion for nondiscriminatory treatment of US Sprint services should be granted.

4. South Central Bell's motion to consolidate the matter with Administrative Case No. 323 should be denied.

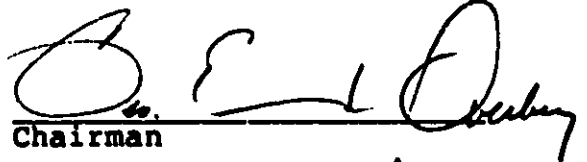
5. US Sprint should measure and report interstate and intrastate jurisdictional usage and interLATA and intraLATA usage associated with Fonline 800 Service, and file usage reports with the Commission on a quarterly basis.

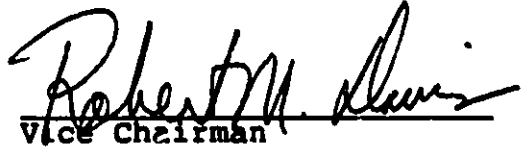
6. US Sprint should inform prospective Fonline 800 Service customers that their use of the service to complete intraLATA calls is not authorized by the Commission.

Accordingly, the above findings are HEREBY ORDERED.

Done at Frankfort, Kentucky, this 5th day of January, 1989.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director